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TEXAS APPRAISER LICENSING
AND CERTIFICATION BOARD

vs.

PAUL EUGENE THOMPSON
TX-1321993-G

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DOCKETED COMPLAINT NO.
08-056

AGREED FINAL ORDER

On this the 20th day of February, 2009, the Texas Appraiser Licensing and Certification Board, (the Board), considered the matter of the certification of Paul Eugene Thompson (Respondent).

In order to conclude this matter Paul Eugene Thompson denies the truth of the Findings of Fact and Conclusions of Law contained herein and further agrees to the disciplinary action set out in this Agreed Final Order. The Board makes the following findings of fact and conclusions of law and enters this Order in accordance with TEX. OCC. CODE § 1103.458:

FINDINGS OF FACT

1. Respondent Paul Eugene Thompson is a Texas state certified general real estate appraiser, holds certification number TX-1321993-G, and has been certified by the Board during all times material to the above-noted complaint case.
2. On or about November 2nd, 2005, Respondent appraised real property located at 4509 Lindenwood Drive, Fisco, Texas 75034 ("the property").
3. On or about December 12th, 2007, the Complainant, Deloris Kraft-Longoria, filed a staff-initiated complaint with the Board, which was based upon a referral of a complaint from the Texas Real Estate Commission, alleging that Respondent over appraised the property.
4. On or about December 12th, 2007 the Board, in accordance with the mandate of the Administrative Procedure Act (the APA), TEX. GOV'T CODE ANN. CHPT. 2001, and TEX. OCC. CODE CHPT. 1103, notified Respondent of the nature of the accusations involved and Respondent was afforded an opportunity to respond to the accusations in the complaint. Respondent's response to the complaint was received.
5. Respondent violated TEX. OCC. CODE § 1103.405, 22 TEX. ADMIN. CODE §§ 153.20(a)(3) and 155.1(a) by the following acts or omissions which did not conform to USPAP in effect at the time of the appraisal report for the property:

- a) Respondent did not adequately identify and report the correct site description, including zoning;
- b) Respondent did not provide a brief summary of his determination of the property's highest and best use;
- c) Respondent did not provide support for his site value and cost new of improvements determinations and did not collect, verify, analyze and reconcile the cost new of improvements. Respondent also did not employ recognized methods and techniques in his cost approach analysis;
- d) Respondent did not analyze and reconcile sales comparison data adequately and generally did not employ recognized methods and techniques in his sales comparison approach;
- e) Respondent did not collect, verify, analyze and reconcile comparable rental data, and comparable operating expenses in his report. Respondent also did not base his projections of future rent and expenses on reasonable, clear and appropriate evidence and generally did not employ recognized methods and techniques correctly in his income approach analysis;
- f) Respondent did not analyze the agreement of sale and maintain a copy of the contract in his work file. Although he attempted to obtain a copy of the agreement of sale, he did not report the efforts undertaken to obtain it;
- g) Respondent did not analyze the lease agreement for the property and no copy of the lease agreement was contained in his work file. Although he attempted to obtain a copy of the lease agreement, he did not report the efforts undertaken to obtain it;
- h) Respondent did not produce a credible appraisal report due to the problems noted above; and,
- i) Respondent's report for the property contains substantial errors of omission as detailed above which resulted in an inaccurate appraisal report for the property.

CONCLUSIONS OF LAW

1. The Texas Appraiser Licensing and Certification Board has jurisdiction over this matter pursuant to the Texas Appraiser Licensing and Certification Act, TEX. OCC. CODE § 1103 et. seq.
2. Respondent violated the following provisions of USPAP as prohibited by TEX. OCC. CODE § 1103.405 and 22 TEX. ADMIN. CODE §§ 155.1(a) and 153.20(a)(3): USPAP Standards Rules: 1-2(e)(i) & 2-2(b)(iii); 1-2(e)(iv) & 2-2(b)(ix); 1-3(b) & 2-2(b)(x); 1-4(b)(i) &

2-2(b)(ix); 1-4(b)(ii) & 2-2(b)(ix); 1-1(a) & 1-4(b); 1-4(a) & 2-2(b)(ix); 1-1(a) & 1-4(a); 1-4(c)(i) & 2-2(b)(ix); 1-4(c)(ii) & 2-2(b)(ix); 1-4(c)(iv) & 2-2(b)(ix); 1-1(a) & 1-4(c); 1-5(a) & 2-2(b)(ix); 1-4(d) & 2-2(b)(ix); 1-1(a); 1-1(b); 1-1(c); and, 2-1(a).

Based on the above findings of fact and conclusions of law, the Board **ORDERS** that the Respondent shall:

- a. Attend and complete a minimum, 15 classroom-hour course in USPAP;
- b. Attend and complete a minimum, 15 classroom-hour course in Residential Case Studies or the Sales Comparison Approach;
- c. Attend and complete a minimum, 15 classroom-hour course in Residential Report Writing;
- d. Pay a \$500.00 administrative penalty; and,
- e. Comply with all provisions of the Act, the Rules of the Board, and USPAP in the future, or be subjected to further disciplinary action.

Payment of the **ADMINISTRATIVE PENALTY** must be by certified funds, and must be completed within **TWENTY DAYS** of the date of this Agreed Final Order.

ALL CLASSES required by this Agreed Final Order must be classes approved by the Board and must be completed within **TWELVE MONTHS** of the date of this Order and documentation of attendance and successful completion of the educational requirements of this Order shall be delivered to the Board on or before the end of the twelve-month period indicated. None of the classes or seminars required by this Order may be taken through correspondence courses. Unless otherwise noted above, all classes must be in-class, have an exam, and Respondent must have a passing grade on the exam given in each class. None of these required classes will count toward Respondent's continuing education requirements for licensure.

Failure to timely comply with any of the terms of this Final Agreed Order shall result in initiation of a contested case proceeding against Respondent and after opportunity for a hearing, possible imposition of disciplinary sanctions against Respondent as provided for by TEX. OCC. CODE § 1103.518.

Respondent, by signing this Agreed Final Order, waives the Respondent's right to a formal hearing and any right to seek judicial review of this Agreed Final Order. Information about this Agreed Final Order is subject to public information requests and notice of this Agreed Final Order will be published in the Board's newsletter and/or on the Board's web site.

THE DATE OF THIS AGREED FINAL ORDER shall be the date it is executed by the Chairperson of the Texas Appraiser Licensing and Certification Board. The Chairperson has been


delegated the authority to sign this Agreed Final Order by the Texas Appraiser Licensing and Certification Board vote.

Signed this 2 day of February, 2009.


PAUL EUGENE THOMPSON


DEENA GREENWOOD, ATTORNEY
FOR RESPONDENT

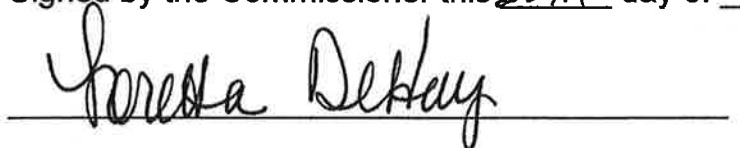
SWORN TO AND SUBSCRIBED BEFORE ME, the undersigned, on this the 2nd day of February, 2009, by PAUL EUGENE THOMPSON, to certify which, witness my hand and official seal.


Notary Public Signature




Joaquin Rosal
Notary Public's Printed Name

Signed by the Commissioner this 20th day of February, 2009.


_____, Interim Commissioner
Texas Appraiser Licensing and Certification Board

Approved by the Board and Signed this 20th day of February, 2009.


Clinton P. Sayers, Chairperson
Texas Appraiser Licensing and Certification Board